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Nauru: earmarking from target for resource assignment from the core (TRAC) line 1.1.1 (2001-2003)

1. Within the context of Executive Board decisions 99/2 and 98/19 on successor programming arrangements, Nauru was classified as a net contributor country (NCC) since its estimated 1997 gross national product (GNP) per capita amounted to $29,110, well beyond the established NCC threshold of $4,700. Accordingly, Nauru was not given a TRAC earmarking for the period 2001-2003. [1]

2. The 1997 GNP per capita estimate used for Nauru at the time of the Executive Board decisions on 2001-2003 programming arrangements was based on information provided by the United Nations Statistics Division (UNSD). In accordance with standard procedures, the UNSD data was used since no World Bank GNP data was available.

3. UNDP was recently informed by UNSD that the Government of Nauru requested the United Nations Secretariat to review the country's GNP statistics in the light of the country's deteriorated economic situation. Based on this review, UNSD has revised the GNP data for Nauru, setting the 1997 GNP per capita figure at $3,711. If the World Bank Atlas methodology is applied to the new UNSD estimate, the 1997 GNP per capita figure for Nauru will amount to $3,690.

4. This makes Nauru eligible for TRAC resources. In accordance with the distribution methodology approved in decisions 99/2 and 98/19, and based on a GNP per capita figure of $3,690 and a resource target of $3.3 billion, the TRAC-1 earmarking for Nauru for the financial period 2001-2003 has been calculated at $33,000.

[1] In its decision 99/2, the Executive Board decided that net contributor countries were to be treated as a separate group of programme countries outside the TRAC distribution model and specified that from 2001, reimbursable TRAC-1 would no longer be calculated for existing NCCs.

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5. This amount will be funded from the unallocated reserve of $30 million established by the Executive Board to finance, inter alia, TRAC allocations for first-time NCC countries and any upward revisions of already established TRAC earmarkings.

Executive Board action

6. The Executive Board may wish to take note of a TRAC earmarking of $33,000 for Nauru under line 1.1.1 for the period 2001-2003.[2]

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[2] See Executive Board decision 2000/10, in which the Board took note of the report on TRAC earmarkings for 2001-2003 (DP/2000/17).